

NOTICE OF AMENDMENT

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

October 2, 1997

Mr. Jack Mars
Sr. Vice President of Operations
Greeley Gas Company
1301 Pennsylvania Street, Suite 800
Denver, CO 80203

CPF No. 37115

Dear Mr. Mars:

On July 14-16, 1997, representatives of the Central Region, Office of Pipeline Safety (OPS), pursuant to Chapter 601 of 49 United States Code, conducted an onsite pipeline safety inspection of Greeley Gas Company's facilities in Pleasanton, KS.

As a result of the inspection, it appears that you have committed probable violations, as noted below, of the pipeline safety regulations, Title 49, Code of Federal Regulations, Part 192. The items inspected and the probable violations are:

1. § 192.605(b) Procedural Manual for Operations, Maintenance, and Emergencies

Each operator shall prepare and follow for each pipeline, a manual of written procedures for conducting operations and maintenance activities and emergency response.

The review of the Company's O&M manual revealed that the manual did not address the following items:

- (a) **§192.467 - Isolation of pipelines from underground structures (Casings):**

- 1) The O&M manual does not address the 6-month timeframe in which a course of corrective action must be determined when a short is found.
 - 2) The O&M manual indicates that if a short cannot be fixed, then a gas detection survey must be conducted once a year not to exceed 15 months. This should actually be twice a year with intervals not to exceed 7½ months.
 - 3) The O&M manual should reference the leak repair section when evidence of a leak is found on a shorted casing. The manual references only that personnel should go to the leak file.
- (b) The O&M manual did not indicate that insulating devices should be isolated from areas where a combustible atmosphere is anticipated, as required by § 192.467(e).
 - (c) The O&M manual did not indicate that protection for the pipeline against fault currents due to close proximity to transmission tower footings would be provided as required by § 192.467(f).
 - (d) The O&M manual did not indicate that the O&M procedures would be reviewed and updated at intervals not exceeding 15 months as required by § 192.605(a). However, Greeley's cover sheet did indicate that the last time the plan was updated was in 1996.
 - (e) The O&M Manual did not indicate that a periodic review of the personnel would be done to determine the effectiveness and adequacy of the procedures used in normal operation and maintenance and modifying the procedure when deficiencies are found, as required by § 192.605(b)(8).
 - (f) Greeley's procedures did not adequately address the establishment of maximum allowable operating pressures (MAOPs) as required by § 192.619. The O&M procedure lists what information must be established in order to determine the MAOP, but there are no procedures to indicate what should be done with that information.

When it is found that an operator's procedures are inadequate, 49 C.F.R. § 190.237 provides that the operator, after notice and opportunity for hearing, may be required to amend its plans and procedures and the response options as prescribed under § 190.237. The operator is allowed thirty (30) days after receipt of such notice to submit written comments or request a hearing. After considering the material presented, the Office of Pipeline

Safety is required to notify the operator of the required amendment or withdraw the notice proposing the amendment. If you do not desire to contest the notice, please provide the revised procedures within thirty (30) days of receipt of this notice.

Sincerely,

Ivan A. Huntoon
Director, Central Region
Office of Pipeline Safety